Before The FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

:

In the Matter of Lifeline and Link-Up

WC Docket No. 03-109

COMMENTS OF ACORN

ON JOINT BOARD RECOMMENDED DECISION

Steve Bachmann General Counsel ACORN 51420 Hunters Crossing Court Granger, IN 46530-8856 ccilgldirect@acorn.org (574) 674-0718

TABLE OF CONTENTS

<u>I.</u>	<u>Introduction</u>	1
<u>II.</u>	Use 150% of the federal poverty guideline for eligibility	2
<u>II.</u>	Automatic Enrollment.	4
<u>III.</u>	Verification	4

Before The FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of Lifeline and Link-Up

WC Docket No. 03-109

COMMENTS OF ACORN

ON THE JOINT BOARD RECOMMENDED DECISION

I. Introduction

ACORN® comments on the Notice of Proposed Rulemaking ("NPRM") of the Federal Communications Commission ("Commission") released June 9, 2003 in this docket.¹ The NPRM asks for comment on the Recommended Decision of the Federal-State Joint Board on Universal Service ("Joint Board") as released April 2, 2003, regarding changes to the federal Lifeline and Link-Up programs.²

ACORN is a national community organizing association largely composed of low-income individuals. ACORN® is the nation's largest community organization of low- and moderate-income families, with over 150,000 member families organized into 700 neighborhood chapters in 51 cities across the country. ACORN advocates on behalf

¹ The NPRM (FCC 03-120) was published in the Federal Register at 68 Fed. Reg. 42333 (July 17, 2003).

² In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, FCC 03-J2 (April 2, 2003) ("Recommended Decision"). Link-Up help low-income customers to be connected to the telephone network, while Lifeline is a reduction in the monthly bill for local telephone service.

of its members on many issues affecting its member including relief through low-income benefits.

ACORN advocates on behalf of its members in support of a strong Lifeline and Link-Up program. ACORN often uses the telephone to communicate with its members concerning various civic and political activities. ACORN has first hand experience and understands that many low-income consumers and ACORN members do not have telephone service. Having an ACORN membership with access to telephone service is important to ACORN and its membership.

II. ACORN supports the use of 150% of the Federal Poverty Guidelines as an eligibility standard for Lifeline and Link-Up programs.

The Telecommunications Act of 1996 requires that there shall be federal support for low-income consumers. See 47 U.S.C. § 254(b)(3). It is not enough to simply allow low-income telephone customers to enroll in Lifeline and Link-Up if they are receiving welfare benefits. Many low-income individuals are not enrolled in welfare plans even when they are eligible.

ACORN supports simply allowing individuals to receive Lifeline and Link-Up benefits based upon their household income. But ACORN disagrees with the income levels selected by the Commission. The Joint Board has recommended allowing eligibility based upon 135% of Federal Poverty Guidelines.³ ACORN disagrees that Lifeline/Link-Up support should be cut off for households over 135% of the FPG.

The Following chart shows current income levels under the FPG:

_

³ Decision, ¶15.

Persons	100 % of Poverty Level	135% of Poverty Level	150% of Poverty Level
1	\$8,980	\$12,123	\$13,470
2	\$12,120	\$16,362	\$18,180
3	\$15,260	\$20,601	\$22,890
4	\$18,400	\$24,840	\$27,600
5	\$21,540	\$29,079	\$32,310
6	\$24,680	\$33,318	\$37,020 \$4,530 per person ⁴
7	\$27,820	\$37,557	\$41,730
8	\$30,960	\$41,796	\$46,440
8+	\$30,960 plus \$3,140 per person	\$41,796 plus \$4,239 per person	\$46,440 plus \$4,710 per person

A single person household making little more than \$1,000 per month is badly in need of low-income assistance to afford telephone service. The 135% recommendation is simply too low. An income standard of 150% of the FPG must be used instead.

III. Automatic Enrollment.

The Joint Board states that "the Commission encourage all states, including states that use the federal default criteria, to adopt automatic enrollment..." ACORN supports this. Even though enrollment based on income eligibility is also important, automatic enrollment is also essential.

Low-income families have a difficult time dealing with the welfare bureaucracy as it is. It would be good to automatically enroll an eligible family in Lifeline and Link-Up once they have entered the necessary welfare program. There is no reason why a distressed family on welfare need make another visit to the telephone company to enter this program. This rule should apply to all of the states. Verification of eligibility should be kept simple for consumers and carriers alike.

IV. Verification Requirements.

The Joint Board requests states to require consumers who are eligible for lifeline under an income based criterion to submit proof of income eligibility before enrolling in Lifeline.⁶ ACORN understands the need for verification measures, but ACORN thinks that the Joint Board has gone too far. Making customers produce "a tax return, a current income statement, a social security statement of benefits a veteran administration statement of benefits, a retirement/pension statement of benefits/ and

-

⁵ Recommended Decision, ¶ 38.

⁶ Recommended Decision, ¶ 34.

unemployment/Workman's compensation state of benefits a divorce decree or child support document or other office governmental agency documents", would make verifying income eligibility very difficult for most consumers. The Commission must remember that these are low-income people that have difficulty with the type of record keeping intended here. Income verification should be kept as simple as possible.

ACORN requests that the Commission consider the Comments of ACORN.

Steve Bachmann General Counsel ACORN 51420 Hunters Crossing Court Granger, IN 46530-8856 ccilgldirect@acorn.org (574) 674-0718

_

⁷ Recommended Decision, ¶ 35.